### AMENDED IN ASSEMBLY MARCH 27, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

## **ASSEMBLY BILL**

No. 216

# Introduced by Assembly Member Chan (Coauthor: Assembly Member Lieber)

January 29, 2003

An act to add Article 6 (commencing with Section 23500) to Chapter 3 of Division 9 of the Business and Professions Code, and to add Chapter 4.5 (commencing with Section 11759.7) to Part 1 of Division 10.5 of the Health and Safety Code, relating to alcohol recovery and prevention.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 216, as amended, Chan. Alcohol: fee: youth alcohol recovery and prevention.

The Alcoholic Beverage Control Act imposes various functions and duties on the Department of Alcoholic Beverage Control with respect to the sale of alcoholic beverages and related licensing matters, and requires the department to collect various fees in connection therewith. Existing law also imposes various duties on the State Department of Alcohol and Drug Programs, including a program for the alcohol and drug treatment of adolescents.

This bill would require the Department of Alcoholic Beverage Control to collect a fee, as specified, from any beer manufacturer, distilled spirits manufacturer, beer importer, and distilled spirits importer, with specified exemptions. This bill would require the State Department of Alcohol and Drug Programs to distribute, upon appropriation, the fees to counties to fund alcohol recovery and

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prevention centers in this state in accordance with a specified allocation methodology. This bill would require that the centers be administered by the counties in which they are established, thereby imposing a state-mandated local program. This bill would require that all fees, and earnings thereon, be expended, upon appropriation by the Legislature, only for purposes of this bill, as specified.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Article 6 (commencing with Section 23500) is added to Chapter 3 of Division 9 of the Business and Professions Code, to read:

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Article 6. Fee on Brewers<del>, Distillers</del>, and Wine Growers and Distillers

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- 23500. Except as provided in Section 23501, the Department of Alcoholic Beverage Control shall collect a fee from any beer manufacturer, distilled spirits manufacturer, beer importer, and distilled spirits importer licensed pursuant to this division.
- 23501. The fee imposed by this article does not apply to, and no fee imposed by this article may be assessed upon, beer manufacturer licensees who produce 60,000 barrels or less a year.
- 23502. The department shall, by regulation, establish specific fee amounts to be assessed on licensees included in this article. To the maximum extent practicable, the fees shall be assessed on the basis of both of the following:
- (a) The amount of the licensee's product that is consumed by underage youth.
- 21 (b) The licensee's product "market share" of total alcohol 22 consumed by underage youth.

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23503. The department shall conduct an annual survey of youth alcohol consumption practices and alcoholic beverage brand usage to support its calculation of a licensee's fee amount under Section 23502.

23504. For the calendar year 2002 2004, the total fee collected by the department may not exceed \$100 million or the total retail revenues generated by underage alcohol consumption as estimated by the department, whichever is lower.

23505. The fees collected under this article shall be deposited in the Youth Alcohol Prevention and Recovery Fund, which is hereby created in the State Treasury. Moneys in the fund shall, upon appropriation by the Legislature, be expended exclusively for the purposes of implementing this article and Chapter 4.5 (commencing with Section 11759.7) of Part 1 of Division 9 of the Health and Safety Code, including the department's costs in administering this article and the costs of the State Department of Alcohol and Drug Programs in administering Chapter 4.5 (commencing with Section 11579.7) of Part 1 of Division 9 of the Health and Safety Code. All interest earned on the moneys that have been deposited into the Youth Alcohol Prevention and Recovery Fund shall be retained in that fund.

23506. No fee shall be collected from a corporation if the department determines that underage drinkers did not consume that corporation's alcoholic beverage products. The intent of the corporation not to promote illegal sales of its products to underage youth may not be considered in making this determination.

23507. The fees collected pursuant to this article and Chapter 4.5 (commencing with Section 11759.7) of Part 1 of Division 9 of the Health and Safety Code, and the earnings therefrom, shall be used solely for the purposes of implementing this article and Chapter 4.5 (commencing with Section 11759.7) of Part 1 of Division 9 of the Health and Safety Code. The department may not collect fees pursuant to this section in a total amount that exceeds the amount reasonably anticipated by the department to fully implement this article and Chapter 4.5 (commencing with Section 11759.7) of Part 1 of Division 9 of the Health and Safety Code. No funds other than the fees collected under this article, including the earnings thereon, may be expended for the purposes of this article and Chapter 4.5 (commencing with Section 11759.7) of Part 1 of Division 9 of the Health and Safety Code.

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Regulations adopted for fee assessment and collection pursuant to this section are exempt from any review by the Office of Administrative Law as may otherwise be required by law.

SEC. 2. Chapter 4.5 (commencing with Section 11759.7) is added to Part 1 of Division 10.5 of the Health and Safety Code, to read:

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## CHAPTER 4.5. YOUTH ALCOHOL RECOVERY AND PREVENTION

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## 11759.7. For purposes of this part:

- (a) "Department" means the State Department of Alcohol and Drug Programs.
- (b) "Youth" shall mean those individuals under 21 years of age.
- (c) Except where the context requires otherwise, the definitions set forth in Division 9 (commencing with Section 23000) of the Business and Professions Code shall apply to this chapter.
- 11759.8. (a) The department shall establish at least 68 youth alcohol recovery and prevention centers in the state as follows:
  - (1) At least one center in each county of the state.
- (2) At least 10 total additional centers among those counties with populations of more than 2 million residents.
- (a) The department shall establish youth alcohol recovery and prevention centers in this state and shall distribute, upon appropriation by the Legislature, the fee revenues, including the earnings thereon, collected under Article 6 (commencing with Section 23500) of Chapter 3 of Division 9 of the Business and Professions Code, among the counties to fund those centers, in accordance with the standard allocation methodology agreed to by 30 the department and the County Alcohol and Drug Program Administrator's Association of California, and described in the February 1997 Allocations Report to the Legislature.
  - (b) The centers shall be administered through the county departments of alcohol programs. The purpose of the centers is to support youth alcohol prevention, and youth recovery from problems related to alcohol consumption. A local planning process shall be utilized to develop the centers and a local youth committee shall be established to oversee the centers. The centers shall provide:

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(1) Community-based youth-driven prevention activities including, but not limited to, educational support, youth mobilization, leadership development, skills assessment and development, and vocational training and job placement, provided these activities are designed to prevent youth alcohol-related problems.

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and treatment.

- (2) Alcohol-free environments for youth and their families that promote peer interactions, mutual support, and 12-step based assistance for youth with chronic or acute alcohol problems.
- (3) Nonresidential and nonclinical services for youth and their families.
- (4) Meeting space for Alcoholic Anonymous and other mutual self-help meetings that support youth recovery.
- (5) Referral services for youth who require therapeutic interventions other than peer-based recovery services as a result of their consumption of alcoholic beverages.
- (6) Positive, alcohol-free social and recreational activities for youth that support the peer-based recovery services.
- (7) Environmental prevention activities, and educational and media programs that support youth recovery and counter messages that encourage youth alcohol consumption.
- (8) Collaboration with other community organizations, and educational and training opportunities for youth that develop healthy lifestyles free of alcohol consumption.
- (c) Participation in any activities or the use of any services provided at the centers shall be voluntary. The centers shall provide the services listed in subdivision (b) as a means to encourage healthy lifestyles among participating youth. The centers shall keep records of group activities, but may not keep any records of the status or activities of any single individual. The centers may not conduct drug testing, maintain individual case files, or develop individual progress notes or treatment plans. Individual sessions with participating youth provided by trainers, peers, sponsors, or staff shall be for the purposes of promoting healthy life choices or recovery plans, and may not include formal therapeutic interventions. If a center determines that a youth participant requires therapeutic intervention, it shall make a referral to an appropriate community agency for formal diagnosis

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11759.9. The department shall promulgate regulations to ensure that the centers fulfill the functions described in Section 11759.8. The department shall review existing state regulations and policies to determine whether state regulations or policies hamper or inhibit the responsible operation of these programs. The department shall issue a biannual biennial report to the Legislature that assesses the costs, quality, and effectiveness of the centers' recovery and prevention programs. This report shall be sent to all local health departments and be made broadly available to the public.

11759.10. The centers established and maintained pursuant to this chapter, including the administration, development, and oversight of those centers, shall be fully supported from the fees collected pursuant to Article 6 (commencing with Section 23500) of Chapter 3 of Division 9 of the Business and Professions Code. Notwithstanding the scope of activity mandated by this chapter, in no event may this chapter be interpreted to require services necessitating expenditures in any fiscal year in excess of the fees, and earnings therefrom, collected pursuant to Article 6 (commencing with Section 23500) of Chapter 3 of Division 9 of the Business and Professions Code. This chapter shall be implemented only to the extent fee revenues pursuant to Article 6 (commencing with Section 23500) of Chapter 3 of Division 9 of the Business and Professions Code are available for expenditure for purposes of this chapter.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.